GOVERNMENT OF INDIA
TOURISM AND CULTURE
LOK SABHA

UNSTARRED QUESTION NO:649
ANSWERED ON:23.02.2006
FIVE STAR HOTELS
Annayyagari Shri Sai Prathap

Will the Minister of TOURISM AND CULTURE be pleased to state:

(a) whether the Government has received any proposals from Non-Resident Indians (NRIs) recently to set up Five star Hotels in the country;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

Answer

THE MINISTER OF TOURISM AND CULTURE (SMT. AMBIKA SONI)

(a), (b) and (c): Government of India has allowed 100% Foreign Direct Investment in the hotel industry from NRIs as well as foreigners, as such the NRI entrepreneurs are free to set up hotels in the country. Ministry of Tourism has approved the following two 5 Star hotel projects recently, where NRIs are also the promoters among others or are on the Board of Directors:

1. Laguna Kumarakom Resort Pvt. Ltd. is setting up a 58 room 5 Star hotel at Kumarakom, Kerala.

2. IHHR Hospitality Pvt. Ltd. is setting up a 160 room 5 Star hotel project at Hyderabad.